



廣州藥業股份有限公司

Guangzhou Pharmaceutical Company Limited

(a joint stock company with limited liability established in the People's Republic of China)

(H Share Stock Code: 0874)

ANNOUNCEMENT OF RESOLUTIONS PASSED AT THE 1ST MEETING OF THE 4TH SESSION OF THE BOARD

Guangzhou Pharmaceutical Company Limited (the “Company”) and all members of the Board of Directors (the “Board”) hereby confirm the truthfulness, accuracy and completeness of the contents of this announcement and jointly and severally accept full responsibility for any false representation, misleading statement or material omission herein contained.

The 1st meeting of the 4th session of the Board of the Company was held on 15 June 2007 at the Company’s conference room 203 at 2nd Floor, 45 Sha Mian North Street, Guangzhou City, Guangdong Province, the PRC, notice of which was despatched on 31 May 2007 by way of fax and email. 7 out of the 7 eligible directors attended the meeting, among whom Mr. Yang Rongming, executive director, was unable to attend the meeting due to business commitment and had appointed Mr. Shi Shaobin, a director, to attend the meeting and vote on his behalf; Mr. Wong Hin Wing and Mr. Li Shanmin, independent non-executive directors, attended the meeting by means of telephone. The meeting was presided by Mr. Shi Shaobin, a director. The supervisors, senior management and lawyers of the Company attended the meeting, which was in compliance with the requirements of the Company Law and the Articles of Association of the Company.

After due consideration by the attended directors, the following resolutions were passed with 7 affirmative votes, 0 negative vote and 0 abstention vote:

1. election of Mr. Yang Rongming as the Chairman of the 4th session of the Board of the Company;
2. appointment of Mr. Shi Shaobin (whose profile attached) as the General Manager of the Company;

3. appointment of Mr. He Shuhua and Mr. Su Guangfeng (whose profiles attached) as the Deputy General Manager of the Company;
4. appointment of Mr. He Shuhua as the Secretary of the Board of the Company;
5. appointment of Mr. Chen Binghua (whose profile attached) as the Financial Controller of the Company;
6. amendment of relevant provision of the Working Rules for the Audit Committee;
7. appointment of Mr. Wong Hin Wing, Mr. Liu Jinxiang, Mr. Li Shanmin and Mr. Zhang Yonghua as members of the Audit Committee of the Company, with Mr. Wong Hin Wing as the Chairman of the Audit Committee;
8. appointment of Mr. Yang Rongming, Mr. Shi Shaobin, Mr. Wong Hin Wing, Mr. Li Shanmin and Mr. Zhang Yonghua as members of the Remuneration & Evaluation Committee, with Mr. Li Shanmin as the Chairman of the Remuneration & Evaluation Committee;
9. appointment of Mr. Yang Rongming, Mr. Shi Shaobin, Mr. Feng Zansheng, Mr. Liu Jinxiang and Mr. Li Shanmin as members of the Investment Management Committee of the Company, with Mr. Yang Rongming as the Chairman of the Investment Management Committee;

10. emoluments of independent non-executive directors and external supervisors for the year 2007, details of which are set out below:
- (1) The emoluments of each of the independent non-executive directors who are Hong Kong persons or domestic persons for the year 2007 is RMB50,000 (taxes inclusive). If an independent non-executive director also serves as a member of the Audit Committee of the Board, his/her emoluments for the year 2007 would be RMB80,000 (taxes inclusive);
 - (2) The emoluments of each of the external supervisors for the year 2007 is RMB30,000 (taxes inclusive).

By Order of the Board
He Shuhua
Secretary of the Board

Guangzhou, the PRC, 15 June 2007

As at the date of this announcement, the Board comprises Mr. Yang Rongming, Mr. Shi Shaobin and Mr. Feng Zansheng as executive directors, and Mr. Wong Hin Wing, Mr. Liu Jinxiang, Mr. Li Shanmin and Mr. Zhang Yonghua as independent non-executive directors.

PROFILES OF SENIOR MANAGEMENT:

Mr. Shi Shaobin, aged 39, Director and General Manager of the Company, is a postgraduate and a Master of Business Administration, and a senior pharmaceutical engineer. Mr. Shi started his career in 1989, and served as a section member of a research institute, staff of the sales department, head of the administration department, assistant to General Manager, Manager of the marketing department and Deputy General Manager of Guangzhou Jingxiutang Pharmaceutical Co., Ltd., and Chairman and General Manager of Guangzhou Yangcheng Pharmaceutical Co., Ltd. He is also a director and Chief Executive of Guangzhou Wanglaoji Pharmaceutical Co., Ltd. Mr. Shi has extensive experience in corporate production, marketing and operation management.

Mr. He Shuhua, aged 50, Deputy General Manager and Company Secretary of the Company, joined Guangzhou Pharmaceutical Holdings Limited in 1982. He graduated from Zhong Shan University in 1982 with a bachelor degree in Biology. In 1995, he obtained a master degree in Statistics from the same university. He is also Chairman of Guangxi Ying Kang Pharmaceutical Co., Ltd. (“Guangxi Ying Kang”), Director of Guangzhou Han Fang Contemporary Medicine Research and Development Co., Ltd, an executive member of Guangdong Statistics Society. Mr. He has been the Secretary of the Board of the Company since 1997, Deputy General Manager of the Company since September 2001, and served as the Director of the Company from 1 November 2004 to 27 April 2005. He has extensive experience in business management and sales and marketing.

Mr. Su Guangfeng, aged 43, Deputy General Manager of the Company since June 2005, with a bachelor degree in industrial studies, joined Guangzhou Baiyunshan Pharmaceutical Co., Ltd. (“Baiyunshan Co., Ltd.”) in 1987 and served as the Deputy Chief of the Operation Department of Baiyunshan Co., Ltd. and Deputy Plant Head of Guangzhou Baiyunshan Chinese Medicine Factory. He has been the Chairman and General Manager of Guangzhou Xing Qun Pharmaceutical Co., Ltd since January 2005. He is also a manager of Ying Bang Branch Company of Guangzhou Pharmaceutical Company Limited. Mr. Su has extensive experience in enterprise management, sales and marketing.

Mr. Chen Binghua, aged 41, an accountant with a master degree in administration, is the Financial Controller and Senior Manager of the Finance Department of the Company. Mr. Chen was General Manager of Shanghai Pudong Xidi Co., Ltd, General Finance Manager of China Foreign Trade Development Company and Financial Chief of O-NET Communications Ltd. He is also a Director of Guangzhou Bai Di Bio-technology Co., Ltd. and a Director of Guangxi Ying Kang. He has been the Senior Manager of the Finance Department of the Company since 2002 and the Financial Controller of the Company since December 2005. Mr. Chen has extensive experience in accounting and financial management.

Please also refer to the published version of this announcement in The Standard / Hong Kong Economic Times.